FCC's yes on cable deregulation □ Capcities buying Cablecom □ Special report on TV journalism

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Our 49th Year 1980

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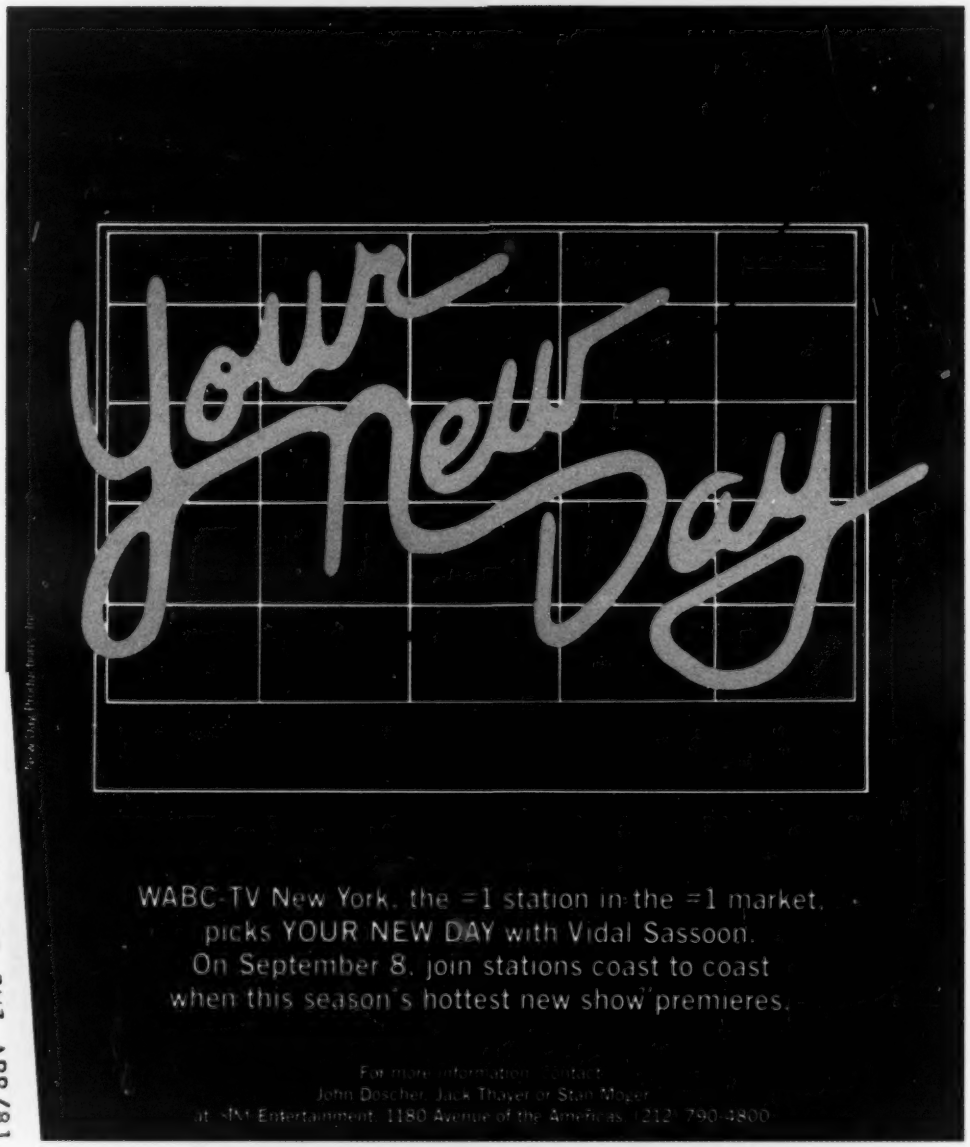
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The Week in Brief

TOP OF THE WEEK

BOWING OUT OF CABLE ☐ The FCC repeals its rules on syndicated exclusivity and distant-signal importation. It triggers court action by Malrite and plans for legal counterattacks by NAB and MPAA. The Hill may get into the act. **PAGE 25.**

CAPCITIES UPS ITS CABLE ANTE ☐ The major broadcaster-publisher agrees to buy RKO General's Cablecom-General for $139 million. **PAGE 28.**

POST MORTEMS ON FORD-BUSH ☐ The critics have a field day with speculation about the influence of media on politics. The networks take their lumps—and bows—on coverage of the vice presidential shuffle in Detroit. **PAGE 28.**

STRIKE REPERCUSSIONS ☐ The walk-out of SAG and AFTRA poses a threat to production for the new season and higher charges right on down the line to the consumer. Payments for performers in the new video technologies are a major issue. **PAGE 30.**

SPECIAL REPORT

A+ MARKS FOR LOCAL TV JOURNALISM ☐ The latest technological advances and the oldest journalistic traditions enabled local television to cope with news breaks around the corner and around the world during the past year. Some of the people involved lend insight to the challenges and trends. **PAGE 33.** BROADCASTING spotlights notable efforts in the pursuit of spot news, **PAGE 38;** in the presentation of public-affairs programing, **PAGE 54;** in the structuring of documentaries and the pursuit of investigative reporting, **PAGE 60.**

MEDIA

KARL ELLER'S POSSIBLE DREAMS ☐ The media entrepreneur has never thought in small terms. And observers note that his latest venture with Charter shows he has no intention of lowering his goals or changing his tactics. **PAGE 80.**

BUSINESS

TOUGH TO FIGURE ☐ Wall Street analysts see no clear pattern in the current performance of media-related stocks. They call broadcast and cable activity a "hodgepodge." **PAGE 85.**

ABC SLOWDOWN ☐ The company's earnings in the second quarter decline to $53.8 million, 6% under the same period in 1979. First-half profits slip 5% to $78.1 million. **PAGE 85.**

MARGIN OF ERROR ☐ Arbitron Radio launches a replication study to better define sampling errors in its audience studies. **PAGE 87.**

PROGRAMING

PTV-CABLE TOGETHERNESS ☐ Public broadcasters and cable operators conduct an experiment that some see as a precursor to a California cable network. Test involves a two-hour teleconference on the energy issue. **PAGE 88.**

JOURNALISM

TV'S ECONOMIC COVERAGE ☐ Three articles in *Industry Week* point out difficulties in the relationship between the medium and business. **PAGE 90.**

MUSSED UP IN MOSCOW ☐ American newspeople at Olympics get rough treatment when they try to cover anything but sports. **PAGE 91.**

TECHNOLOGY

CBS GOES IT ALONE ☐ Company breaks with the rest of the industry on teletext standards. It will submit its own ideas, based on French Antiope system, to FCC. **PAGE 92.**

CABLE NET ONE TENANTS ☐ The final slots on the satellite to be launched next June go to CNN, Warner Amex and Times Mirror. **PAGE 93.**

HELPING HAND FROM UNCLE SAM ☐ NTIA makes four awards, totaling $1.8 million, to encourage satellite use by the public sector. **PAGE 94.**

PROFILE

PRAGMATIC PUBLIC RELATIONS ☐ Shaun Sheehan believes in extracting emotionalism from issues and dealing with basics. It's the realistic approach that has helped him to cope with the challenges of his post as senior vice president, public relations, at NAB. **PAGE 121.**

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Up and down. The nationwide television and radio networks and their owned and operated stations enjoyed an over-all net gain in revenue in 1979 over the previous year. However, the three commercial television networks experienced a .9% decrease, and their 35 O&O radio stations a 25.1% decrease, in pre-tax profits from 1978. According to a compilation of financial data released by the FCC last week: Total 1979 net revenues for the three TV networks and their 15 O&O stations were $4 billion, up 15.3% from 1978. Network revenues increased 16.5% to $3.5 billion, while revenues of the O&O's were $638 million, up 9.1% from 1978. Network pre-tax profits were down 0.9% from 1978, to $370.2 million, while profits before income tax for the O&O's increased to $205.1 million, up 10.1% from the previous year. The three networks reported spending $324 million on their news and public affairs operations in 1979 compared to $265 million in 1978. The financial data submitted by the eight nationwide radio networks—CBS, Two Mutual Broadcasting System Networks, NBC and ABC's three AM and one FM network, and 35 network O&O's—shows a 6.6% increase in net broadcast revenues for 1979. The total revenues were $252.0 million in 1979 compared to $236.3 million in 1978. Pre-tax profits, however, dropped 15.0% in 1979, from $43.7 million in 1978 to $37.2 million in 1979. The pre-tax income for the eight networks increased 3.7% to $15.9 million in 1979, from $15.4 million the year before. There was a 25.1% decrease in the 35 O&O's in 1979, from $28.4 million in 1978 to $21.3 million in 1979. Amounts shown in the chart below are in millions.

Television

	Total		*Networks*		*O+O's*	
	Amount[a]	*% Change from 1978*[b]	*Amount*[a]	*% Change from 1978*[b]	*Amount*[b]	*% Change from 1978*[b]
1. Network advertising revenues			$4,297.5	15.7		
2. Deductions:						
a. Paid to owned and operated stations			43.8	2.1		
b. Paid to affiliated stations			287.6	10.4		
Total participation by stations			331.4	9.2		
3. Retentions from network advertising revenues	$4,011.4	16.1	3,966.1	16.3	$45.3	4.4
4. Nonnetwork time sales	725.7	9.4	—	—	725.7	9.4
5. Other broadcast revenues	141.7	21.2	136.1	21.8	5.6	7.7
6. Total broadcast revenues	4,878.8	15.2	4,102.2	16.5	776.6	9.1
7. Deduct commission to agencies and representatives and cash discounts	786.4	14.8	647.7	16.1	138.7	9.0
8. Net broadcast revenues	4,092.4	15.3	3,454.5	16.5	637.9	9.1
9. Broadcast expenses	3,517.1	17.7	3,084.3	19.0	432.8	8.7
10. Broadcast income (before federal income tax)	575.3	2.8	370.2	(0.9)	205.1	10.1

[a] Last digits of figures may not add because of rounding.
[b] Percent change is based on the rounded figures. ( ) indicates decrease.

Radio

	Total		*Networks*[b]		*O+O's*[a]	
	Amount[c]	*% Change from 1978*[d]	*Amount*[c]	*% Change from 1978*[d]	*Amount*[a c]	*% Change from 1978*[d]
1. Network advertising revenues			$136,548	9.8		
2. Deductions:						
a. Paid to owned and operated stations			2,208	13.4		
b. Paid to affiliated stations			19,818	16.7		
Total participation by stations			22,026	16.4		
3. Retentions from network advertising revenues	$116,930	8.9	114,522	8.6	$2,408	23.8
4. Nonnetwork time sales	184,198	5.6	—	—	184,198	5.6
5. Other broadcast revenues	3,079	3.6	2,781	3.2	298	7.2
6. Total broadcast revenues	304,207	6.8	117,303	8.5	186,904	5.8
7. Deduct-commissions to agencies representatives and cash discounts	52,198	7.7	20,800	13.8	31,398	4.0
8. Net broadcast revenues	252,009	6.6	96,503	7.4	155,506	6.2
9. Broadcast Expenses	214,833	11.6	80,585	8.2	134,248	13.7
10. Broadcast income (before federal income tax)	31,176	(15.0)	15,918	3.7	21,258	(25.1)

[a] These figures for 35 stations compare with figures for 36 stations in 1978. One owned and operated station was sold during 1979, therefore those figures are not included in this report.
[b] CBS, MBS (2 networks), NBC, and ABC (3 AM networks and 1 FM network).
[c] Last digits of figures may not add because of rounding.
[d] Percent change is based on the rounded figures. ( ) indicates decrease.

FCC Tabulations as of May 31, 1980

	Licensed	On air STA*	CP's on air	Total on air	CP's not on air	Total authorized**
Commercial AM	4552	3	3	4558	114	4672
Commercial FM	3197	2	0	3199	160	3359
Educational FM	1047	0	3	1050	81	1113
Total Radio	8796	5	6	8807	355	9162
Commercial TV						
VHF	516	1	0	517	9	526
UHF	226	0	3	229	75	304
Educational TV						
VHF	100	1	4	105	6	111
UHF	155	2	5	162	9	171
Total TV	997	4	12	1013	99	1112
FM Translators	314	0	0	314	148	462
TV Translators						
VHF	2537	0	0	2537	190	2727
UHF	1288	0	0	1288	424	1712

*Special temporary authorization

**Includes off-air licenses

Summary of Broadcasting

FCC Tabulations as of May 31, 1980

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